

### TIME RUNNING OUT AS AZ TAX AMNESTY PASSES \$16 MILLION MARK

With less than two weeks remaining until the October 31 deadline for the Arizona tax amnesty period, Arizona Department of Revenue (DOR) Director Elliott Hibbs announced that over \$16 million has already been reported by Arizona taxpayers taking advantage of the Arizona Tax Amnesty Program.

"Almost \$13 million of this has actually been paid," Hibbs remarked, "even though applicants could qualify by paying only one-third of the amount due by October 31. Applicants seem to appreciate the money they are saving as well as the relief of being current."

An example of the savings is an individual who filed returns for 1996 through 1999 and paid a total of \$1,615.77. Without amnesty, this individual would have owed \$2,185.66, so the person saved \$569.89. Another taxpayer filed only the 1993 return, paid \$460.08 and saved \$211.65.

"We expect many more tax amnesty filings before the October 31 deadline and are prepared to provide assistance with the application process to any businesses and individuals who need it. We would much rather help you now than have to get tough on you later," said Hibbs.

Assistance is available at any of the DOR offices. Anyone needing help can also call (602) 364-3550 or (800) 352-4090 during regular business hours. Guidelines and forms are also available on the Internet at [www.taxamnesty.az.gov](http://www.taxamnesty.az.gov).

Persons report many different reasons for failing to pay taxes according to DOR. Excuses have included:

- Just kept putting off filing taxes.
- Unaware that pensions and IRA were taxable.

- Had financial difficulties and did not file one year. After not filing that year, the taxpayer was too afraid of being caught, so the taxpayer continued to not file.
- Came from a state that did not have income taxes and thought it was the same for Arizona.
- Lazy and didn't want to pay someone to file his taxes.
- Employer didn't provide W-2s.
- Employer didn't withhold taxes, so didn't think he had to.

"I encourage individuals and businesses to take advantage of this tax amnesty now; those who don't will regret it later when we come after them," advised Hibbs. "Our new enforcement tools and added resources greatly increase a person's chances of getting caught, and the costs will be a lot higher."

### **Quick Facts about Arizona Tax Amnesty**

<b>When is it?</b>	September 1, through October 31, 2003.
<b>What has to be done?</b>	By October 31, file amnesty application and affiliated tax returns and pay at least 1/3 of the tax and interest due. By May 1, 2004, pay the remaining tax and interest in full.
<b>For what years?</b>	1983 through 2001 for corporate and individual income tax; 1983 through 2002 for transaction privilege, use, luxury, and withholding taxes.
<b>Who benefits?</b>	<u>Individuals and businesses</u> that have failed to file some past due tax returns or who have incorrectly reported income and expenses. <u>The State</u> , through accelerated revenues this fiscal year and adding new taxpayers for the future.
<b>Why file under amnesty?</b>	Chance for a clean slate with reduced interest and no penalties. Avoid being found by the State's new technologies and additional tax enforcement employees and having to pay much more.
<b>Need more information?</b>	Visit <a href="http://www.taxamnesty.az.gov">www.taxamnesty.az.gov</a> on the Internet or call 602 364-3550 or 800-352-4090 (toll free from area codes 520 and 928).